



Meg Loven

Dear Sir or Madam:

I am writing to express my concern regarding the proposed Business Opportunity Rule R511993. I believe that in its present form, this Rule could prevent me from continuing as an Independent Demonstrator for the Direct Selling Company, Stampin' Up!. I understand that the proposed rule is intended to protect consumers from fraudulent business practices, but unfortunately, the terms are constructed so as to prevent legitimate business owners, such as myself, from pursuing businesses in Direct Sales.

Since I became a Demonstrator for Stampin' Up! over 4 years ago, I have sold over \$100,000 in high-quality rubber stamping products and have built a business that includes over 75 demonstrators around the country. These demonstrators range from business owners who only purchase supplies for themselves, to business owners who sell to a wide customer base and recruit other demonstrators. My own business allows me to stay home with my daughter and contribute to our family income in a significant manner. Many of the demonstrators I have recruited enjoy the same benefits for themselves.

The portion of the rule that discusses the Seven-Day Waiting Period is especially troubling to me. This casts direct selling in a negative light. Myself included, many people have a cautious perception of this profession, and this rule will further cement a negative impression to the public. This is unfortunate, because I have found that most of my fears were unfounded and represented an incorrect prejudice against direct selling. The waiting period will also create a book keeping nightmare for business owners, as well as cause unnecessary delays that hold up the income potential for the new demonstrator.

The Litigation Reporting requirement also causes a problem. This does not give the consumer a realistic picture as the reporting does not distinguish between winning and losing lawsuits.

The Reference portion of the ruling has several faults, also. It would not be practical to find the 10 nearest distributors, nor would it present an accurate picture of the business opportunity. In my town of approximately 5000 citizens, there are at least 30 Stampin' Up! demonstrators, including 3 who routinely sell over \$30,000 in product annually. One of the misconceptions I routinely counter for new demonstrators is that our market is saturated. This notion is just not true, and unfortunately the Reference portion of the rule would add credence to a false prejudice. There are also problems with privacy due to identity theft and safety to consider in this issue. I would be uncomfortable with my own

information being shared in this manner.

I do appreciate the help in regulating this industry from fraudulent groups, yet this proposed rule would unfairly target legitimate direct selling businesses such as mine.

Please do not pass this Rule as it stands. I fear for the negative impact on my own business already.

Sincerely,

Meg Loven Independent Demonstrator/Executive